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4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20815 (301) 656-4068

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PROGRAM The Phil Donahue Show STATION WUSA-TV  
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SUBJECT Bob Woodward Interviewed

PHIL DONAHUE: Who is Bob Woodward and how -- who does he -- how does he get inside all these -- and is this true? And do you care? And who is this guy? Who's watching him? I mean what do we know about him? Is he married? And what happened to Bernstein?

Qaddafi wears women's clothes. I read it in this book. It must be true.

Now we're going to see what's the real truth, and watch him squirm as I -- we'll give him a chance to wipe off his brow and get ready for the most aggressive probing interview in his life.

And we'll be back with Bob Woodward of the Washington Post in Stamford, Connecticut in just a moment.

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DONAHUE: Let's start with this. Qaddafi wanted a teddy bear? There was much discussion of Qaddafi's personality. Remember, my President hates this man. He was in a shouting match with him on world television. You can see the hatred in Ronald Reagan's face for Muammar Qaddafi. And you don't like him either. And when we bombed Tripoli and killed one of his children, 77 percent of you thought that was a real neat idea, as Ollie North might put it. Seventy-seven percent approved.

The President took particular interest in the details of Qaddafi's personal life, as they had been assembled by the CIA -- CIA. On a trip to Spain and Majorca, the Libyan leader had worn makeup and high-heel shoes. His aides had brought a toy teddy

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bear for him, and he was apparently -- and he apparently did not trust the bedsheets at the hotel where he was staying, and sent his aides out to buy new sheets from several stores.

Reagan came back several times to the theme of Qaddafi as fey. You can look that one up. Remarking at one point, quote, "Qaddafi can look in Nancy's closet anytime." Hardy-har-har.

So maybe Qaddafi is a fag. Now we can hate him even more.

And they talked about being tough themselves. These are the guys -- this was a big meeting, wasn't it? Wasn't Shultz and all those guys, Weinberger?

BOB WOODWARD: Key national security advisers.

DONAHUE: Talking about plastering Qaddafi, smashing Qaddafi, having enough spine to -- these were grown men who headed the most -- who headed and continue, as we speak, to head the most powerful nation in the history of the universe. And they're bashing Qaddafi.

We shouldn't be surprised that we bombed his tent.

WOODWARD: Exactly. This was before the bombing. And we went ahead and did the bombing.

What Casey did, the head of the CIA, is provided the evidence to the President that showed that Qaddafi was behind bombing the West German disco. With the proof in hand, Reagan took action.

DONAHUE: Now I have this question for you. Do you believe, in your own mind, that proof exists that it was Qaddafi who bombed the West Berlin discotheque?

WOODWARD: Yes, I do. Yes, I do.

DONAHUE: Was not a Jordanian found responsible for that bombing?

WOODWARD: No.

DONAHUE: You think you've seen these -- the people's -- Libyan East People's Republic in East Berlin sent the -- and it was intercepted? You're sure of that?

WOODWARD: Certainly. But I think, as the book shows, on the other side that there were provocative exercises that were

carried out off the Libyan coast by a U.S. naval fleet that got Qaddafi very mad. We poked a stick in his tent, and so he did something. So we smashed him.

DONAHUE: Do you have any doubt that we were trying to kill him with the raid of the planes from the aircraft carrier and England that had to fly around France because the French didn't want us to fly over for this mission?

WOODWARD: I have no doubt at all. We wanted to kill him.

DONAHUE: You also have no doubt that on the books throughout the entire Reagan two terms there is a law, incontrovertibly clear, that this is against American interests and against the law.

WOODWARD: Well, there is a fine line. The law you talk of is an executive order signed by the President that says no one will be -- in the government will engage in assassination planning or assassination. They argue that this was a defensive raid because Qaddafi was doing things, conducting terrorist activities against Americans and American facilities.

DONAHUE: Not unlike some foreign power might argue if they bombed the White House: "This was a defensive raid. We weren't really trying to assassinate anybody." That's how absurd that sounds.

WOODWARD: Well, a lot of people think it's absurd and a lot of people think that that's what we should do, that it made all the sense in the world.

DONAHUE: Seventy-seven percent of these people thought it was wonderful that we bombed a crowded city at night. This is the condition of the American body politic.

WOODWARD: Exactly. But just to come back at you for a moment, if I may, that the purpose of this book, why I spent three years, was to look at the government, to look at Casey's CIA, and take it year-by-year, incident-by-incident, terrorist incident, the Contra war, Libya, the Iran arms sales, and present both sides.

DONAHUE: Ah-ha.

WOODWARD: That perplexes you, that somebody presented both sides.

DONAHUE: Well, it does. No, no, no. Well, let me -- no, that's good. You're a good reporter. You present both sides.

4

Listen, I don't know. I'd be happy to have my name on this book. I think if I were you, I might want Simon and Schuster to take another swing at the cover, as your close personal friend William Safire calls his readers' attention to the fact that you look like the title and the book is written by a guy by the name if Veil. But I will not find -- I do not find you accountable for that. I'm sure Simon and Schuster got a little breathless with a 500,000 edition printing, half a million before -- they are convinced that a half a million people are going to buy this book. And I must not tell a lie. So am I.

This book has held up to just about every kind of scrutiny, including the people who hate him. So no doubt about it, this is another wonderful piece of work from...

WOODWARD: So...

DONAHUE: Let me just continue to ask you these questions.

WOODWARD: You're in charge.

DONAHUE: Did -- so -- so we were trying -- you're honest to say, we were trying to kill Qaddafi. I mean I don't know, we killed his kid. We killed his child.

WOODWARD: Yes.

DONAHUE: This guy who wears women's underwear.

We invaded Grenada and we did not tell Congress, nor did we invite the press. True?

WOODWARD: Correct.

DONAHUE: We bombed Libya without telling Congress.

WOODWARD: Well, they told them...

DONAHUE: Thirty minutes to ground zero. That's not telling them.

WOODWARD: Two hours.

DONAHUE: Effectively, they did not tell them. All right.

They conducted a cam -- they mined the harbors of Nicaragua. William Casey mined the harbors of Nicaragua, didn't tell Congress.

WOODWARD: Correct.

DONAHUE: Conducted a campaign of disinformation, and did not tell Congress.

WOODWARD: Correct.

DONAHUE: This is William Casey, the man -- and I watched you on Nightline with Ted Koppel, and here's what you said about William Casey: "He was an extraordinary man. He had intellect, compassion, conviction. He always met me. He was not Daniel Ellsberg."

WOODWARD: That's right.

DONAHUE: In other words, Daniel Ellsberg is worse than him?

WOODWARD: No. I'm just saying he was not Daniel Ellsberg, who was the one who provided the information on the Pentagon Papers to the press. Bill Casey did not come with a grocery cart into the Washington Post, wheeling in a bunch of documents.

DONAHUE: Well, but that's the way it sounds, when you go on record saying you talked to him more than 50 times.

WOODWARD: That's correct.

DONAHUE: Fifty times.

He called you Bob, I'm sure.

WOODWARD: Yes.

DONAHUE: And what did you call him?

WOODWARD: Sir, Director Casey, Mr. Casey.

DONAHUE: Right. And you talked...

WOODWARD: Just like I call you Mr. Donahue.

[Laughter]

DONAHUE: That's a good idea.

And yet you tell us in your own book that you met him at a party for the New York Times' Punch Sulzberger's -- what was it, his birthday or something?

WOODWARD: No, it was a pre-Gridiron party.

DONAHUE: Uh-huh. And the New York Times invited you to their party.

WOODWARD: They did.

DONAHUE: I don't like this cronyism at all. I mean you should not be talking to the New York Times.

WOODWARD: What's interesting about that is I was at the New York Times party...

DONAHUE: And he thought you were Punch Sulzberger.

WOODWARD: He thought I owned the New York Times, which I wish I did.

DONAHUE: But this happened last year.

WOODWARD: This happened in '86. Yes.

DONAHUE: So if William Casey wasn't even sure at a party who you are last year, what good were all those interviews that you claim to have had with him?

WOODWARD: As the book shows, I mean he quickly realized who I was.

DONAHUE: Was this before or after your breakfast at his house, with Sophia serving...

WOODWARD: After.

DONAHUE: So you had breakfast with him at his house, and you met him at a party several weeks later and he thought you were Punch Sulzberger.

WOODWARD: Listen, about four days after the Grenada invasion, Casey invited me to house -- to his house for his dinner. It's described in the book. His daughter, Bernadette, cooked lamb chops. And that was the night Reagan gave his speech on Grenada, and it was after the Marine bombing in Lebanon. Casey and I went down and watched the President give that speech. Mrs. Casey, even on Nightline, said when Casey would see me at a party, he would say, "Bob, how's the book coming?"

DONAHUE: You also have William Casey behind a car-bombing in Beirut to kill Hezbollah -- I have trouble, like most Westerners, with the...

WOODWARD: A leading terrorist in the Middle East. And this was assassination. This is when he went, to use Colonel

North's term, off the books. He went to a foreign intelligence service and he said, "Do our dirty work for us."

DONAHUE: So the head of the CIA is directly behind a bombing in Beirut that killed somebody's mother while she was shopping with her grocery bag, blew her body apart, along with 79 other innocent people, bystanders. They miss Hezbollah.

WOODWARD: Correct.

DONAHUE: They get 80 innocent people. And Bob Woodward is out with a book saying this was the work of, the plan of Casey and the Saudi Prince Bandar, who's the Saudi Ambassador to the United States.

WOODWARD: Correct. And King Fahd, the King of Saudi Arabia.

DONAHUE: Who put up three million dollars for this operation.

WOODWARD: Correct.

DONAHUE: The three million dollars get a car, a driver. You get information on when Hezbollah's going home and what his daily habits are, so you're sure that the bomb goes off when he's in the neighborhood. Three million bucks.

WOODWARD: And it didn't work.

And just to correct the record here, Hezbollah is the Party of God. It's a fanatical group in Beirut.

DONAHUE: Which we believe is...

WOODWARD: Fadlallah is the leader, who is the spiritual head.

DONAHUE: Oh, Fadlallah. Thank you.

WOODWARD: You mix your Middle East names up, and I can understand that.

DONAHUE: I am corrected. If you can't correct me, I can't grow.

WOODWARD: Can I just take a second to kind of latch on to a point of the significance of this. They tried to kill him. And as the Saudi Ambassador said, we couldn't kill him, but we discovered we could bribe him.

DONAHUE: Two million.

WOODWARD: Two million dollars.

DONAHUE: And there hasn't been a bombing since.

WOODWARD: Not even to this day.

And what did Bill Casey do? He said, "Ah-ha. Bribery works. Let's try to solve our other terrorism problem, which is hostages."

DONAHUE: Right.

WOODWARD: So they set up an operation to use private money. It didn't work. It turned out that the factions -- and we get into all kinds of Middle East names, which you don't get straight anyway, so I won't tell you who they are.

[Laughter]

DONAHUE: He's just a little teddy bear, isn't he?

Go ahead.

WOODWARD: And they discovered that a faction in Hezbollah who held the hostages were influenced by Iran. How do we bribe Iran? Arms. Thus the Iran arms sales.

It didn't come out of the blue. It started with this operation to assassinate the spiritual head of the Party of God in Beirut.

DONAHUE: During this meeting when they're talking about Qaddafi and high-heel shoes, you quote Don Regan as saying, "Are we going to use nuclear weapons?"

WOODWARD: Correct.

DONAHUE: So the special counselor to the President...

WOODWARD: The Chief of Staff.

DONAHUE: The Chief of Staff to the President says -- do you believe he was actually thinking that as a possibility?

WOODWARD: Well, some people who were at the meeting thought he said that. His position is, and in fairness to him, that he just wanted to make sure that we were not going to use nuclear weapons.

DONAHUE: That is an interpretation which seems to relieve Mr. Regan of what might otherwise be diagnosed as an



hysterical option of actually using a nuke to get this guy who rides a tractor and wears women's high-heel shoes.

I'm merely trying to make this point...

WOODWARD: You're obsessed with the fact that Qaddafi wore women's clothes. You've brought it up three or four times.

DONAHUE: I'm obsessed with the fact that my country is being led by men who are obsessed with this kind of personal behavior of a man who leads a country that has how many people, four million?

WOODWARD: Not that.

DONAHUE: And we're obsessed enough to actually send Mach-1, Mach-2 multimillion-dollar fighter planes to bomb his tent. That obsesses me. Yes.

WOODWARD: And as the book disclosed, I think we sent nine bombers, each with four big bombs, and only about three or four of the bombs actually landed. If they had all landed, we definitely would have killed him.

DONAHUE: Yet William Casey is an extraordinary man, with intellect, compassion and convictions.

Here's my point...

WOODWARD: Now wait a minute. You've read that twice, too. He was that. And what I attempt to do in this book is tell you who he was, where he came from, where he got his ideas, where he got this action orientation, where he got this passion about "Let's fight the communists at every turn," which I think most people in this country agree with. But I also show where he went off the books, broke the rules and broke the law.

And now what do we have? We have a new CIA Director with a whole different set of values, principles, and attitudes.

DONAHUE: When Casey got the job as CIA Director, you have Edward Bennett Williams meeting with him and putting his arm around Casey. What'd he say, "Go get 'em, Bill"?

WOODWARD: "Go do the job."

DONAHUE: Because we had this Carter wimpy Administration that let Langley go to hell. And now, by God, we got Reagan. And this is Edward Bennett Williams, who owns, what, a couple of hotels and the Washington Post too?

WOODWARD: No, he doesn't own...

10

DONAHUE: He represents the Washington -- excuse me. He represents the Washington Post, an intimate confidant of the publisher of the Washington Post, very much a part of the establishment. Which does not make him a bad guy. But here's -- you know, if the Washington Post's lawyer is putting his arm around William Casey and saying, "Go get 'em, Bill."

WOODWARD: Well, that's what he believed. Now wait a minute. Don't condemn him for...

DONAHUE: Well, you don't even know what I'm going to ask you.

WOODWARD: Well, you seem to be condemning him for his belief.

DONAHUE: I'm not. You haven't even let me make my point.

WOODWARD: I will.

DONAHUE: I think the Washington Post is as much in bed with the established power structure of Washington as any Cabinet member is. This does not mean that...

WOODWARD: You say this after reading that book? You've got to be kidding.

DONAHUE: I think you do -- I certainly would be embarrassed if I were a loved one of William Casey, and it is true. But here's what it makes me wonder. What haven't you reported? What are you protecting us from? You've already told us, for example, that Casey himself put a bug on a head of state's phone.

WOODWARD: It was an official in a foreign government in the Middle East.

DONAHUE: But you won't tell us who that official is.

WOODWARD: That's right. Because -- now -- because Casey said to me that never, never repeat that or publish that.

DONAHUE: So...

WOODWARD: And it's in a dangerous place. And I'm not going to do it.

DONAHUE: So, in other words, you...

WOODWARD: There's another book that big of things that are not published.

11

DONAHUE: I know. That's my point. It makes me wonder, for all this wonderful research and reporting -- and it is. Please don't miss my point -- I have to wonder whether or not the Washington Post, now a powerful newspaper, more than twice the circulation of its competition, which is owned by Moonie church, has not itself become, by virtue of its own hard work over the years, in many uncomfortable ways, co-opted by the established power structure that it is supposed to report on.

For example, President Reagan calls Katharine Graham and says, "Don't report Ivy Bells." Ivy Bells is a thing where the submarines might have even gone up a Soviet river, one of ours, tapped into a cable and gets wonderful intelligence. And you find out about it. And Pelton has blown the whistle on them, and they put Pelton in jail. All right. He...

WOODWARD: It's already lost to espionage.

DONAHUE: It's already lost.

WOODWARD: It's already blown.

DONAHUE: Sy Herish has reported this ten years ago.

WOODWARD: Right.

DONAHUE: And Casey says you can't report that.

WOODWARD: Correct.

DONAHUE: Reagan calls Katharine Graham and says -- well, however he did it. He says, "Please. This is important."

And Katharine Graham calls you and says, "You know, why do you have to report this?" And you don't. You buckled. You didn't report it.

WOODWARD: Oh, but we did.

DONAHUE: After James Polk of NBC reported it.

WOODWARD: That's correct.

DONAHUE: He scooped you because you were being real patriotic and not reporting what had already been in the paper ten years ago and which NBC...

WOODWARD: What we'd done is we found a line to say, look, we're not going to do something to screw up the intelligence capabilities of this country in the area of the war-fighting capacity of our military. At the same time, there are

11

things on this line where we can say, hey, look -- if somebody's interested in reading the book -- this is what your government was doing in your name.

And I tell you, for you to sit there and say to me that, somehow, I've been co-opted by the establishment, then go around and ask the establishment what they think of this book and say, "Do you think you co-opted Woodward?" I think they will laugh.

DONAHUE: We are in Stamford, Connecticut with Bob Woodward, whose book is titled "Veil: The Secret Wars of the CIA." Here is the story of the CIA during the Reagan Administration.

And we'll be back in just a moment.

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DONAHUE: Did you report in the Washington Post at the time you found out about it that Casey was behind a bombing that killed 80 people?

WOODWARD: I found out about it in July of this year. We talked, the editors and I, about it, that it would be in the book and we would run the excerpt of it in The Post in September, as we did.

DONAHUE: But you did report the bombing as a, did you not when it happened, as an original CIA idea from which the CIA had backed off?

WOODWARD: Exactly, and that it was a runaway mission. It took me two years to find out, somewhat under Casey's prodding. He said to me, "You will never find out. There's something you will never get to." I worked on it two years and found the Saudi connection and that Casey kept the CIA institutionally out of it and dealt personally with the King of Saudi Arabia and his Ambassador.

WOMAN: What is actually your purpose in writing about this and exposing all this to the public? And what can we, as citizens, do if...

DONAHUE: How do you feel about what you've heard here?

WOMAN: I'm not too comfortable with it. I'm not too happy about hearing what's going on in the government. And I want to know what we, as citizens, can do to effect a change, so that we can be more comfortable with being Americans.

WOODWARD: I think what happened in the six years that

13

Casey was CIA Director -- remember, he was Reagan's campaign manager in the 1980 election. He went to the CIA. Casey -- I said he was wily and smart, hard-working. He outflanked the Secretary of State, the Secretary of Defense, and kind of made his own foreign policy. Casey was unmonitored in the Executive Branch. He was not adequately monitored by the Congress.

I think the answer is you've got to watch the government, you've got to watch these people who...

WOMAN: What does that mean, to watch it? What do you do? How do you watch the government?

WOODWARD: You get the Congress and the press and the President to do it. I think they are now watching the CIA very, very carefully.

DONAHUE: How could you expect Leahy, Moynihan, et al., to watch the CIA if the CIA didn't cooperate according to the understanding that was forged between Casey and those intelligence committees? He promised them he'd tell them, especially after the mining.

WOODWARD: Well, I think if you read the book you will see times -- let me take a very specific example, because I think this hangs on specifics. The Contra war in Central America, which is in the news now. The Administration is seeking additional funding. Are we going to have it? Are we not going to have it?

When they started this war they said it was to interdict the arms flow...

DONAHUE: To El Salvador.

WOODWARD: ...to El Salvador from Nicaragua. It was clear from the briefings that were going on, when Casey sent one of his aides, put a map up and said, "We're going to split Nicaragua," Barry Goldwater leans over to the Vice Chairman, Senator Moynihan, and said, "It sounds like war to me." Well, it was war. But they kind of accepted the papier-mache definition that Casey and his people were presenting to them. And they didn't, quite frankly, have the courage to stand up and say, "Wait a minute. what's happening is not what you're explaining."

DONAHUE: So you're faulting the Senate Intelligence Committee for not being aggressive enough, based upon the evidence or the information that was coming to them.

WOODWARD: In part. Casey rolled them. He used the "F" word to describe them frequently. He rolled the press to a certain extent.

14

DONAHUE: He built -- he built military runways in Honduras, did he not, without telling Intelligence Committee?

WOODWARD: Well, I'm not sure specifically on that. But he had covert operations going on in five Central American countries in support of the operation against Nicaragua. And he told a little bit here. He said, "Well, we're doing this over here," and so forth.

Well, we now know they wanted to get the Sandinistas out.

DONAHUE: Yes.

This book, as you have made very clear, indicts the CIA as a runaway agency: "The Commies are coming. We have to do this." Operating on its own, covert activity without the advice and consent of Congress in more than one place. And you have been researching this now for most of this decade.

Did you ever feel uncomfortable about the security of your own country and the morality of the behavior that your considerable research was revealing throughout this experience?

WOODWARD: Indeed. And...

[Applause]

WOODWARD: ...I wrote dozens of stories for the Washington Post about what the CIA and Casey were doing.

Now, quite frankly, let me indict myself for a moment. He -- I missed a lot of it. I missed the Iran arms sales. I didn't get that story. I was getting close to it. I think he was worried I was getting close to it, and that's why he was threatening to put us in jail and prosecute us on another story.

When you put it all together, when it kind of all fits, I think as it does in that book, you kind of say, "I wish I was more alert. I wish I had worked harder. I wish I had gotten on to this story in 1982-83.

DONAHUE: You didn't report the bug on Hosni Mubarak's phone in the Washington Post.

WOODWARD: That's correct.

DONAHUE: You waited...

WOODWARD: But it was...

DONAHUE: You waited until pub date to reveal certainly,

I think, the most devastating piece of information in your book, and that is that the CIA, through its leader, killed 80 innocent people in Beirut. Now, if that ain't a story, then I have never been in the press bar.

So, don't you feel a little uncomfortable accommodating Simon and Schuster's need for a full-blast pub date publicity at the expense of your responsibility as a reporter to rush to your readers and say, "Holy blank, look at this."

WOODWARD: Yeah. But, look, at that point Casey had passed away, by July. I think there is value -- and if you have read the book, as you say you have, and lots of other people who have been able to go through it have said, it's the cumulative portrait that tells you the nature of the lawlessness and the horror and the justification that Casey and the Administration had for lots of their actions.

DONAHUE: I'm glad you waited, Caller. Go ahead.

MAN: What I'd love to know -- a two-part question. First of all, isn't a lot of the information, okay, that comes out of this book putting the country in danger? And aren't the hostages' lives put at a little risk with some of that info?

WOODWARD: The answer is no. I believe I took the greatest care that I could. I have talked to lots of people. The CIA has -- it did put out a statement to one newspaper saying this book compromises no ongoing operation.

DONAHUE: When Bandar saw the news account of the bombing -- this is the Prince, the Saudi Ambassador to the United States.

WOODWARD: Yes, sir.

DONAHUE: When he saw the news account, you tell us, he got stomach cramps. He looked -- he obviously looked at the TV set and saw all those bodies and he said, "My God. I did that."

How do you know he got stomach cramps? Did he tell you he got stomach cramps?

[Laughter and applause]

DONAHUE: Did he?

WOODWARD: Fair question. As I say in the beginning of the book, I talked to 250 people. I talked to many of them many times, went back over 15 years of reporting on the dark side of Washington. I have developed all kinds of sources in all kinds

16

of places. And I know that's what happened. And it has not been disputed by the Ambassador. And I am confident of my sources. And the record of the reporting speaks for itself.

Now let me ask you. Is there any doubt in your mind, reading that, the account of how that operation was set up, the passing of Swiss bank account numbers in the garden, the establishing of a disinformation campaign to protect the Saudis on this, is there any doubt in your mind that that's true?

DONAHUE: No. I'll tell you, the only curiosity I have at all, and this -- I don't sense any indignation from you for this. This is not the country my parents raised me to be proud of. This is Pinochet. This is all those leaders, those autocratic people that we're supposedly condemning because we love democracy so much. These are frightened males in charge of a military machine that fired 16-inch guns from the New Jersey, killing lambs and innocent children on...

WOODWARD: Okay. So what you're saying is you didn't read all the book. Because at the end I say that I am forced to come to a judgment. And to a certain extent, I learned this from Casey. Casey was somebody who always told me you have to make a judgment. And in the end, I say we have to address Casey's personal responsibility, specifically on the bombing. And I say he had blood on his hands, and he was wrong.

DONAHUE: I did read that. I also read -- watched you say that he had "intellect, compassion, convictions, and he always met me," kind of like an older uncle, you know, is the way you paint him, "an extraordinary man."

WOODWARD: Maybe two-sided. Maybe sometimes that's the way people are.

DONAHUE: People who plant car-bombs might bring, what, a present for your child at Christmas? You know, Mussolini's trains ran on time. I mean that's -- you know, we would like...

WOODWARD: You want to make it simple. And the problem is it's not simple. And Casey is all of those things. I think he was wrong. I think he has blood on his hands. And I think he was a man of those attributes which you have now read three times.

DONAHUE: Right. And you -- yes.

WOODWARD: And what I want to do, and what I said to him when I got to know him, was I said, "You're going to get your say in this book. If people have a chance to understand why you did these things, about the nature of the risk running an intelligence organization, it's going to be presented here."



17

Now, you have to go back into the book, and it's tedious, about what terrorists were doing to this country.

Anyone here remember the Marine bombing when 241 servicemen were murdered, killed?

DONAHUE: Right. For which there was no public inquiry and no firings. P.X. Kelley retired taking a shot at media, at you. A guy lands a plane in Red Square, some yahoo from West Germany, and they fire the chief of defense.

WOODWARD: Can I tell you what happened? I remember that day, and it was a trauma in this country. The government, I think people on the streets -- 241 servicemen wiped out.

DONAHUE: Right.

WOODWARD: I wrote on a piece of paper in my office, "Who did it?" And I pinned it to the wall. And I kept going back to it for the next several weeks.

And I think called up Casey and I said, "Who did it?"

And he said, "Come on out to the CIA." I talked to him, some of his people. And they essentially said the answers are in the Middle East.

The deputy managing editor at The Post, Dick Harwood, another reporter, Chris Williams, and I went to the Middle East as detectives, and we got into the foreign intelligence services. And we came back and we wrote a series of articles that said Iran and Syria did it.

Casey -- I saw him after that and he said, "That was ground-breaking reporting." We had the names, including the name of Sheik Fadlallah, who had done it.

DONAHUE: Right. He liked the story.

WOODWARD: He liked the story.

DONAHUE: Why didn't he tell you? He, presumably, knew that before you went over?

WOODWARD: He got that from Israeli intelligence. And as I report in the book, which I'm sure you don't remember when you read, that he wanted to put those reports out. And the White House wouldn't let him because they wanted to maintain good relations with Syria and Iran.

18

DONAHUE: And we invaded Grenada because we were embarrassed by the deaths of the 241 Marines while they were sleeping.

WOODWARD: I'm not sure that's the reason.

DONAHUE: We'll be back in just a moment.

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DONAHUE: "That evening, Katharine Graham, Chairman of the Washington Post Company, gave a dinner in Reagan's honor at her home in Georgetown. Bill and Sophia Casey were among the 70 guests. Casey was seated with Mary Graham, wife of Post publisher Donald Graham."

I give you credit. This is in your book, so you're not -- it's not that you're trying to hide anything. And you will argue that you don't have anything to hide here -- "on one side, and Nancy Kissinger, wife of the former Secretary of State, on the other."

WOODWARD: And guess who wasn't there. Me. The one you claim has been co-opted by the establishment.

DONAHUE: You were invited to his 70th birthday party, along with the President and Nancy.

WOODWARD: But the seating was such that Reagan sat here with his back that way, and I was over here with my back that way.

DONAHUE: To Reagan.

WOODWARD: Yes.

DONAHUE: I assume the President...

WOODWARD: That's the back.

DONAHUE: The President sat next to Mrs. Graham.

WOODWARD: Yes.

DONAHUE: Mike Wallace sat next to Mrs. Reagan, I believe.

WOODWARD: I didn't watch the seating.

DONAHUE: I believe it was reported in your paper.

19

Just curiously, with whom did you sit at the 70th birthday party of the publisher of your paper?

WOODWARD: I sat next to Joan Braden, who's the wife of a columnist, former columnist and TV person. And I forget who was on the other side. I apologize.

[Groans]

DONAHUE: How could you forget that?

WOODWARD: I was busy working on my book.

WOMAN: How do we know this book was 100 percent fact and not your opinions and your interpretations of other people? And what would Mr. Casey feel about this? And would you have published it if he were alive now?

WOODWARD: Absolutely. He knew it was going to be published.

DONAHUE: You don't want to know about this?

WOMAN: Well, I don't know. I think all these people have a lot of different opinions, and I don't know if they're all 100 percent true.

DONAHUE: I think the press should just leave the President alone and let him do his job.

WOMAN: Well, no. I don't feel that way. I don't agree with everything the President does.

DONAHUE: You know, if they didn't know what they were doing, they wouldn't be in Washington.

WOODWARD: Can I answer the question? I mean these are not opinions. These are facts that I gathered by talking to the people involved in it.

In the introduction to the book, I do say that Casey would not tell the story this way, but he would recognize all of it or nearly all of it. He probably would shout at me, as he frequently did in our interviews. But I think, you know, in a way, he was the -- this amateur historian wanted to be in history, knew I was going to do the book, and wanted to get his side in. And he did.

WOMAN: I agree that Bob Woodward may make a lot of money on this book. But if it wasn't for you and Bernstein, the nation wouldn't have known what we did about Watergate. And I

20

think the citizens of this country owe you that. And I think what you're trying to do by reviewing the information that's in this book is at least some effort to make the public aware.

DONAHUE: Did you have anything you wanted to say about me at all?

[Laughter and applause]

DONAHUE: I'm glad you waited. Go ahead.

WOMAN: I'm a 16-year-old girl from New Jersey, and I just wanted to say that I think you're coming really -- you're coming down really hard on Mr. Reagan and Mr. Casey. I think if you just let them do their thing, we wouldn't have had as much of a problem with terrorism in the last two or three years as we have. If they could have instilled some fear...

DONAHUE: Right.

WOMAN: ...in Qaddafi and in the Iranians, we wouldn't be having the problems we have today.

DONAHUE: How about car-bombs? Is that okay with you?

WOMAN: Just think of all the innocent Americans that the terrorists have killed.

DONAHUE: So you've got to become the thing you hate, then.

WOMAN: That's right. You have to instill this fear in them that they have in the Americans.

DONAHUE: Hang on a minute.

WOMAN: I just wonder when Casey was so critical, and in fact on his deathbed, I just wonder how you got into the room, since Mrs. Casey...

DONAHUE: Yeah. That's what I want to know.

[Applause]

DONAHUE: Watch him squirm now.

WOODWARD: Mrs. Casey was not there when I saw her husband. And if you look through this book, you will see I have access to all kinds of top secret documents, I have access to accounts of meetings held in the Situation Room of the White House. I tell you, getting that information, compared to getting into a hospital, is much, much more difficult.

21

WOMAN: There had to be a family member there when a gentleman of his stature was so critically ill, that you could just march in there. I just don't know how you got in, that some member of his family didn't ask you to leave.

WOODWARD: Somebody helped me, as somebody helped me get every piece of information in that book.

DONAHUE: Right. I don't have any doubt that you saw William Casey in the hospital. You do not need me to support or speak for your integrity.

I have to think you're somewhat disappointed, though, aren't you, at the cloud of smoke that's swirled about this particular incident, at the expense of an examination of the more important things in this book?

WOODWARD: I have to be held accountable for every word in that book. And I think people can read it or take excerpts of it and ask questions about it. Anyone who has read the book to the end realizes why that scene is in there. I'll tell you why. Because I owed it to him.

DONAHUE: What'd you owe to him?

WOODWARD: I owed...

DONAHUE: To go and find out on the record whether he knew about the diversion.

WOODWARD: Absolutely. Because as Bill Safire said, knowledge is power, and Casey had the most knowledge. It was a moment when all his defenses were down, and he said to say, "Hey, look. I knew."

DONAHUE: What did you owe him? What is the favor you're doing for him, giving him an opportunity to embarrass himself by saying, "I knew about the diversion"? What's the favor?

WOODWARD: Because he had to get his say. That was my agreement with him.

WOMAN: But from what you said here today, you weren't even intimate friends with him. I mean he thought you owned the New York Times at one point. Why would he choose to talk to you 50 different times right up until he's lying on his deathbed and couldn't even talk? He's nodding his head at you.

I have trouble believing that.

22

DONAHUE: And I'll give you a chance to speak to this question in just a moment.

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DONAHUE: Yes. Now you wanted to speak to that question.

WOODWARD: Exactly. I mean you asked the question, how come he talked to me so often? How come he dealt with me? This is a way a reporter works. You put the mosaic together, a little piece here, a little piece there. He knew that I had sources in the intelligence agencies all over Washington. I was finding out about his covert operations, that the Washington Post is committed to reporting on the CIA, and he would deal with it. It is documented. It is indisputable.

DONAHUE: Do you have any doubt -- you have no doubt that when he said, "I believed," and when he answered affirmatively that he did know about the diversion, that he was lucid and not under medication and suffering the legacy of a brain tumor?

WOODWARD: He was suffering...

DONAHUE: But you felt he knew what you were asking him and he knew...

WOODWARD: Absolutely. I outlined in the book...

DONAHUE: Even though he fell asleep right after he said it, he knew what he was talking about.

WOODWARD: I lay all those things out in the book.

DONAHUE: Okay.. All right.

WOODWARD: If you had been there, and I wish you had, you would have felt -- no, wait a minute. This has to be said. It was a very sad moment.

DONAHUE: And you know what I'd have done? I'd have rushed to the phone and called my editor, skilled rewrite, and asked him to hold the final edition.

WOODWARD: And I would have said, "It's ambiguous. It's ambiguous."

DONAHUE: Oh, so you don't think -- he may not have been lucid.

23

WOODWARD: No. No, no. No, wait a minute. Wait a minute. There's a difference between a personal understanding between two people in that situation and journalistic evidence.

DONAHUE: Are you there, Caller? I'm glad...

WOODWARD: Personally, I'm convinced. To call rewrite and say, "I've got a nod," and you know what rewrite would say, or the editors at The Post?

DONAHUE: Where's the picture?

WOODWARD: They would say, "Go back tomorrow." And that's what I hoped to do. And he got worse and he eventually died.

DONAHUE: Are you there, Caller? I'm glad you waited.

MAN: Yes. I want to say that I agree with Bob Woodward and I agree with what Bill Casey has done. And if the United States has to go to such means to defend the country, they should. As in if somebody insulted you or your wife, perhaps, you would defend her, as we all know that you have done.

[Laughter]

DONAHUE: But the action of a private citizen in Nicaragua is not the same -- in La Guardia airport is not the same...

[Laughter and applause]

DONAHUE: Listen to this. Listen to this. You know, Casey was accused of plagiarism in a tax book he'd written. He was accused by the author of another book of lifting whole pages from the book and putting it in his own book. And the guy sued him. Now, the attorney for the plaintiff -- that is, the guy that's saying, "Hey, he copied my stuff" -- at a pretrial sworn deposition of Casey's that was unearthed by the committee considering his nomination as SEC Chairman -- this is a long time ago -- Casey had told the lawyer for the plaintiff, "Goddam, if you're a gentleman, I will kick your ass out of here."

Now, this is a deposition, so this is not about hearsay or a reporter's word. This is a person going like this. "Don't try that again, or there'll be more violence in this goddam office."

The lawyer said, "I want the record to show that Mr. Casey struck me in the face."

Before the Senate committee, Casey was asked whether he had struck the attorney in the face. "I don't recall," Casey said. "I don't believe -- I haven't struck anyone since high school."

This was the man who was to become...

WOODWARD: And one day on the airplane when I was riding with Casey, I asked...

DONAHUE: You were on the airplane with him, and you had breakfast, dinner too.

WOODWARD: Yes.

DONAHUE: Just Bill and Bob, the Bill and Bob show.

WOODWARD: It's a matter of record. And I asked him about that. And he talked about in the '20s when he was in grammar school in Queens and how they used to circle up and have fights. And this is why I say this guy was extraordinary. And I said, "Do you remember any of those fights?"

He said, "Yes."

I said, "Do you remember anyone who ever beat you?"

And he said, "Yes. I never forget anyone who beats me."

DONAHUE: Nobody for...

WOODWARD: And he gave a name.

DONAHUE: No male forgets a guy who beats him. I ought to know.

WOMAN: I just want to know, if you were researching and discovered a covert illegal operation going on, or at least in the preparation stages, and by reporting it you could stop it, would you do so if you were putting the lives of CIA agents at risk?

WOODWARD: I think there's a way to report those covert operations without putting the lives at risk. And I have done that in a number of operations involving Libya and the Contras.

DONAHUE: Are you there, Caller? I'm glad you waited. Go ahead.

MAN: I'd like to know, Bob, in your research, have you found any evidence of dealing in drugs by the Contras? And did you ask Casey about it?



25

WOODWARD: I did ask him about it. He denied it. And I didn't find any hard evidence to refute that.

DONAHUE: And we'll be back.

WOODWARD: That breaks your heart, doesn't it?

DONAHUE: How you could know all this and not know that.

And we'll be back in just a moment.

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DONAHUE: I am please, with only a little envy, to recommend to your attention this book by Bob Woodward, "Veil: The Secret Wars of the CIA."

Yes, ma'am.

WOMAN: Mr. Woodward spoke about management of the press by the White House and what the White House will not let the press tell. How does the public possibly get at the truth of the Contra situation today?

WOODWARD: I think you've got to go back and kind of understand the beginning and demand from your congressmen, your senators, "Hey, look. We want to know what's happening."

DONAHUE: But you have to demand congressional oversight.

WOODWARD: Exactly.

DONAHUE: But we appear to have a country that is itself on whether there should be any.

WOODWARD: You're absolutely right.

DONAHUE: Micromanagement of foreign policy. We don't like that.

WOODWARD: I mean, as you know from reading the book, the whole Contra war was launched as a deception. They just were never straight about what it was.

WOMAN: What kind of impact do you think William Webster is going to make as the new leader of the CIA?

WOODWARD: Webster, the new CIA Director, has said publicly, and I think very articulately, that we're going to adhere to the values and principles of this country and obey the law in our intelligence operations. And I do believe him.

26

MAN: In looking back on Watergate and in looking back on Casey, what similarities do you see between Deep Throat and Casey?

[Program interrupted by commercial announcements]

DONAHUE: Mr. Woodward sees no relationship between Deep Throat and William Casey.

WOMAN: Why is it that with so many interviews with Bill Casey you had to speak....

[End of program]